



7020-02

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-786]

**CERTAIN INTEGRATED CIRCUITS, CHIPSETS, AND PRODUCTS CONTAINING
SAME INCLUDING TELEVISIONS**

**COMMISSION DECISION TO REVIEW IN PART A FINAL INITIAL
DETERMINATION FINDING NO VIOLATION OF SECTION 337;
TERMINATION OF INVESTIGATION**

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to review in part the presiding administrative law judge's ("ALJ") final initial determination ("ID") issued on July 12, 2012, finding no violation of section 337 of the Tariff Act of 1930, 19 U.S.C. 1337 in the above-captioned investigation. On review, the Commission affirms the ID's finding of no violation, and terminates the investigation.

FOR FURTHER INFORMATION CONTACT: Megan M. Valentine, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-2301. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on July 14, 2011, based on a complaint filed by Freescale Semiconductor, Inc. of Austin, Texas (“Freescale”). 76 *Fed. Reg.* 41521-2 (July 14, 2011). The complaint alleges violations of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, by reason of infringement of certain claims of U.S. Patent No. 5,467,455 (“the ‘455 patent”). The complaint further alleges the existence of a domestic industry. The Commission’s notice of investigation named Funai Electric Co., Ltd. of Osaka, Japan and Funai Corporation, Inc. of Rutherford, New Jersey (collectively “Funai”); MediaTek Inc. of Hsinchu City, Taiwan (“MediaTek”); and Zoran Corporation of Sunnyvale, California (“Zoran”) as respondents. The Office of Unfair Import Investigations was named as a party. On May 25, 2012, the Commission determined not to review an ID (Order No. 27) terminating the investigation as to Funai on the basis of a consent order. Notice (May 25, 2012). On May 29, 2012, the Commission determined not to review an ID (Order No. 31) terminating the investigation as to certain Zoran products and certain MediaTek products. Notice (May 29, 2012).

On July 12, 2012, the ALJ issued his final ID, finding no violation of section 337 as to the ‘455 patent. The ID included the ALJ’s recommended determination (“RD”) on remedy and bonding. In particular, the ALJ found that claims 9 and 10 of the ‘455 patent are not invalid pursuant to 35 U.S.C. § 102, but that they are invalid pursuant to 35 U.S.C. 103. The ALJ further found that those Zoran products that were adjudicated in *Integrated Circuits I* are precluded under the doctrine of issue preclusion. The ALJ also found that certain of the accused Zoran products remaining in the investigation infringe claims 9 and 10 of the ‘455 patent, but that the accused MediaTek products do not infringe claims 9 and 10 of the ‘455 patent. The ALJ further found that Freescale has failed to satisfy the domestic industry requirement with respect

to the '455 patent. The ALJ's RD recommended a limited exclusion order barring entry of Zoran's and MediaTek's infringing integrated circuits, chipsets, and products containing same including televisions. Freescale did not request, and the ALJ did not recommend, issuance of a cease and desist order against Zoran. The ALJ also recommended that respondents be required to post no bond for the importation of products found to infringe during the period of Presidential review.

On July 24, 2012, Freescale filed a petition for review of certain aspects of the final ID's findings concerning infringement, validity, and domestic industry, and preclusion. Also on July 25, 2012, the IA timely filed a petition for review of certain aspect of the final ID's findings concerning claim construction. Further on July 24, 2012, Zoran and MediaTek contingently petitioned for review of certain aspects of the final ID's findings concerning claim construction, infringement, domestic industry, and preclusion. No post-RD statements on the public interest pursuant to Commission Rule 201.50(a)(4) or in response to the post-RD Commission Notice issued on July 16, 2012, were filed. *See 77 Fed. Reg.* 42764 (July 20, 2012).

Having examined the record of this investigation, including the ALJ's final ID, the petitions for review, and the responses thereto, the Commission has determined to review the final ID in part. Specifically, the Commission has determined to review, and on review, reverses the ALJ's finding that Japanese Patent Application JP H05-83113-A to Kuboki ("Kuboki") discloses the limitation "[a] data processor within an integrated circuit package comprising: . . . a plurality of bus termination circuits" of claim 9 of the '455 patent. The Commission has also determined to review, and on review, affirms with modification the ID's finding that Kuboki in combination with the knowledge of one of ordinary skill in the art renders obvious claims 9 and

10 of the '455 patent. The Commission has further determined to review the ID's finding that the Kuboki reference in combination with U.S. Patent No. 5,479,123 to Gist ("Gist") renders obvious claims 9 and 10, and on review, finds that the Kuboki reference in combination with Gist and the knowledge of one of ordinary skill in the art renders obvious claims 9 and 10 of the '455 patent. The Commission has also determined to review the ID's finding that Freescale failed to establish the existence of a domestic industry based on its licensing activities, and on review, affirms the ID's finding with modification. The Commission has further determined to review the ID's finding that Freescale has failed to show that the Accused Zoran Hybrid Termination Circuits infringe claims 9 and 10 of the '455 patent and on review, affirms the ID's finding with modification.

The Commission has determined not to review the remaining issues decided in the ID. A Commission opinion will issue shortly.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in sections 210.42-46 and 210.50 of the Commission's Rules of Practice and Procedure (19 C.F.R. 210.42-46 and 210.50).

By order of the Commission.

Lisa R. Barton
Acting Secretary to the Commission

Issued: September 12, 2012

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